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C O N F I D E N T I A L ASUNCION 001177

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E.O. 12958: DECL: 11/21/2026 TAGS: <u>PREL PGOV PINR KDEM PA</u>

SUBJECT: PARAGUAY: THE COLORADO PARTY SCORES MAJOR VICTORY

IN MUNICIPAL ELECTIONS

REF: A. ASUNCION 0430

1B. ASUNCION 0348
1C. ASUNCION 1162

Classified By: DCM Michael J. Fitzpatrick. Reasons: 1.4 (C and D)

11. (U) SUMMARY: The Colorado Party pulled off a major victory over the opposition in Paraguay's November 19 municipal elections, winning over 70 percent of positions up for vote and embarrassing the oft-divided opposition in the process. This victory boosts President Nicanor Duarte's standing within the Colorado Party and reaffirms his stature as the major political player in the country. The election results have left the opposition weakened and searching for a new strategy to win against a well-oiled political machine. The Superior Elections Tribunal (TSJE) appears to have regained much of its credibility, though TSJE Director of Technical Information, Ricardo Lesme Dalles, is likely to be sacrificed for a Colorado Party heavyweight in the run-up to the April 2008 presidential elections. END SUMMARY.

## BONE-CRUSHING BODY BLOW

12. (U) The Colorado Party unleashed its most devastating blow to the opposition during the November 19 elections. With approximately 30 percent of the population voting (a record low turnout in the post-Stroessner era), the Colorado Party soundly defeated the opposition in more than 70 percent of the municipal governments. In the three heavily populated cities of Asuncion, Ciudad del Este and Encarnacion, Colorado candidates won all of the Mayoral seats and much of the City Council seats handily. In the Central Department (including Asuncion), the Colorado Party won 11 of the 19 municipal districts. The actual vote tally shows that the majority of the votes for Mayor in Asuncion went to the opposition candidates but the opposition was not able to unify their ticket to accomplish victory.

### A NEW MANDATE FOR DUARTE?

- 13. (C) President Duarte's obsession with reelection will most assuredly come up as a central topic of discussion in the coming weeks. This win will be seen by Colorados, especially Duarte and his supporters, as confirmation that the people support Duarte and his plans for the country. Over the past few weeks, Duarte has not missed one opportunity to convey his desire for reelection (via a yet-to-be-introduced Constitutional Amendment authorizing re-election). However, public opinion polls suggest a wide majority of voters oppose reelection.
- 14. (C) Colorado Sen. Bader Rachid told Pol Chief that Duarte will introduce a motion to Congress by December 8 requesting action on a Constitutional Amendment to allow him to run for reelection. Colorado Deputy Salvioni opined that Duarte did not have the votes to pass the motion in House of Deputies

even though the Colorados are in the majority. Liberal Party Sen. Miguel Saguier was insistent that the opposition parties remain steadfastly opposed to the President's reelection bid though he allowed some could be "bought off."

### THE PAPER TIGER

- 15. (C) The opposition, even with unified tickets in many parts of the country, still could not muster a winning combination for its candidates. Their disappointing showing further weakens their ability to prove they can win elections and govern effectively. For much of the year, the opposition has rejected several of Duarte's initiatives and refused to negotiate. They have paid a heavy political price for their miscalculations and lack of cohesive organization.
- 16. (C) The dynamics of the Presidential elections of 2008 are likely to change and Monsignor Fernando Lugo's stock may have just taken a turn for the better. The successful March 29 protest organized by Lugo shows his ability to muster support from the various opposition parties but it also shows how quickly the support for the opposition has eroded. At this point, Lugo is the only person who has demonstrate the ability to unify the opposition. The bad part of that equation is that not all of the parties wholeheartedly support his leadership. In their quest for a win over the Colorados, the opposition parties may hold their noses and rally around a Lugo candidacy. While he has said that he will announce his decision on whether to run by Christmas, Lugo may have taken the view that the opposition's disunity thus far would only guarantee continued squabbling and his electoral defeat. (refs A and B)

#### REGAINED CREDIBILITY FOR A PRICE

17. (C) The Superior Elections Tribunal (TSJE) regained some

of its lost credibility from several huge debacles in the early part of 2006. For much of the year, the TSJE has been accused of budget mismanagement, tampering with electronic balloting machines, and not holding clean elections because of the unusually large lopsided victory by Duarte in the February 19 Colorado Party internal elections. There have not been any significant or credible accusations of voter fraud in the November 19 elections. Prior to the election, most political parties agreed that they had confidence in the electronic balloting machines and the TSJE's ability to run the election. However, the Colorado Party over the last two weeks attacked TSJE Director of Technical Information, Ricardo Lesme Dalles, and has called for his firing (ref C). Lesme, a Colorado, has been under enormous pressure from Sen. Juan Carlos Galaverna and other Colorado party leaders to respond to them directly. To his credit -- but also contributing to his potential demise -- Lesme refused, indicating that he reports to the TSJE President. Lesme was also criticized by the political parties for incorrect spellings of candidate names and/or photographs of the candidates that were incorrect (this information is given to the TSJE by the parties themselves).

# COMMENT: THE FRUITS OF VICTORY

18. (C) The Colorado Party continues to prove it dominates all aspects of the country's political system. The country's opposition parties are largely leaderless, disorganized, and have no plan for change or a message that has grabbed hold of the populace at the grassroots level. The rousing Colorado victory November 19 has both given Duarte's reelection aspirations one more breath of life and raised the bar for the opposition for 2008. Duarte's chances remain long for reelection because he must overcome opposition from within the Colorado Party as well as from the other parties. However, the possibility is not insurmountable. The opposition parties, on the other hand, remain divided and the key to their success lies in identifying a single candidate for 2008, quite possibly Monsignor Fernando Lugo. Some parties have voiced their opposition to Lugo but have yet to offer another unifying force. It seems that after 60 years

of Colorado Party rule, the opposition parties still have not appreciated how to combat a "divide and conquer" strategy. As reflected by Benjamin Franklin's wisdom -- "We must all hang together...else, we shall most assuredly all hang separately." CASON